

SO410038  
TASK 2251  
cc: Lynn

November 11, 2008

Department of natural resources  
Attention: Susan White  
PO Box 145801  
Salt Lake City, UT 84114-5801

File number S/410/0038  
Small mining operation, Knotts & Co  
Sevier mining claim #1-8 mine  
Sevier County, Utah

Susan,

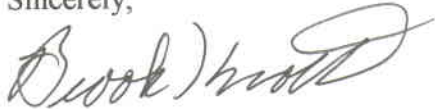
Just wanted to send you a follow up of what we have done with the reclamation of the mining area on the Sevier mining claim project that we are working on.

Photo set (1) mining area  
Photo set (2) mining area under reclamation after 1<sup>st</sup> reseeding

Mining area was reclaimed and also reseeded. Reseeding was done at two different times this fall to inshore adequate vegetation regrowth. Seeds were from granite seed company we used a 8 seed mix upon there recommendation of what the forest serves had spec out in the past for reseeding in this area.

We are in the process of modifying our mining equipment to improve on the recovery of placer. We are hoping to start mining again in April of 2009 after the snow has melted, were we let off in the summer of 2008.

Sincerely,

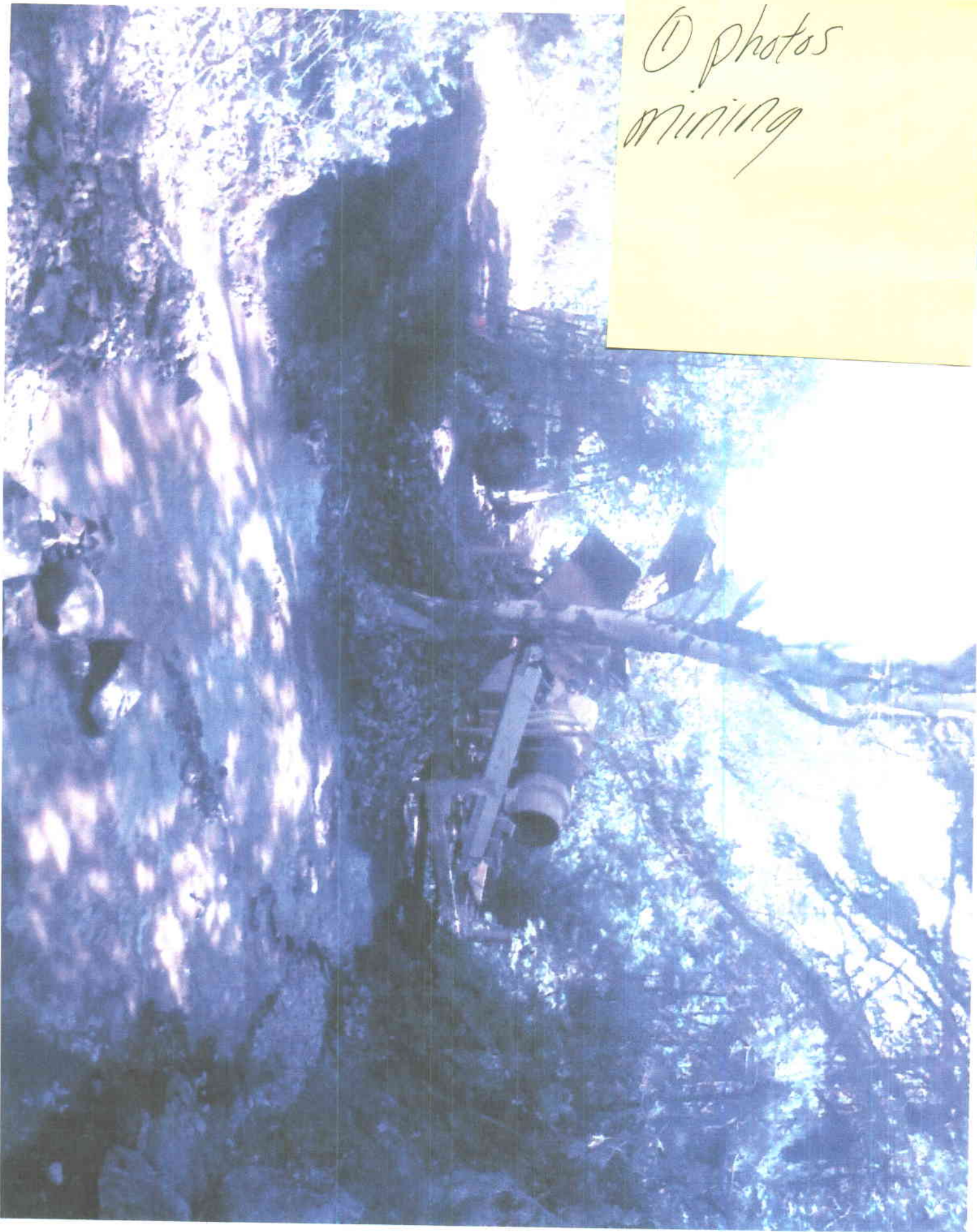


Brook Knotts

RECEIVED  
NOV 13 2008  
DIV. OF OIL, GAS & MINING

0008

① photos  
mining









② photos  
Reclamation  
area Reseeded



















# INVOICE

Remit To: Granite Seed  
1697 West 2100 North  
Lehi, Utah 84043  
(801) 768-4422

1697 West 2100 North  
Lehi, Utah 84043  
(801) 768-4422 / (801) 531-1456  
Fax (801) 768-3967

Invoice Date: 08/28/08

Invoice Number: 185100

(Please show invoice  
number on all payments)

Terms: AMEX

Sold To: 1804287 1800  
KNOTTS & CO  
P.O. BOX 1035  
HALEM, UT 84602

Ship To:  
KNOTTS & CO  
WILL CALL

Project:	Customer P.O. #:	Ordered By:	Phone No.:	Packing Slip Number:
		BROCKE	(801) 378-3571	185100
Shipper:	Prepaid/Collect:	FOB:	Salesman:	Date Shipped:
WILL CALL			Ryan Timoney	08/28/08

Price by PLS (P) or Bulk (B)	Quantity Shipped		Description	Variety	Price	Total
PLS	PLS	Bulk				
			MIX # 64987			
B	4.70	3.00	MOUNTAIN BROMEGRASS			
			MOUNTAIN BROME	BROMAP		
B	5.62	4.00	ELYMUS TRACHYCAULUS SSP. TRACHYCAULUS			
			SLENDER WHEATGRASS	REVENUE		
B	5.79	4.00	ELYMUS LANCEOLATUS SSP. PSAMMOPHILUS			
			STREAMBANK WHEATGRASS	SODAR		
B	6.45	0.50	DESCHAMPSIA CAESPITOSA			
			TUFTED HATGRASS	NORTMAN		
B	9.39	1.00	POA SANDBERGII			
			SANDBERG BLUEGRASS	VNS		
B	9.06	4.50	ELYMUS GLAUCUS			
			BLUE WILDRYE	ELKTON		
B	9.85	1.00	FESTUCA OVINA DURIUSCULA			
			HARD FESCUE	DURAP		
	18.40	20.00	MIX #64987 Total			

10.0000 BULK #1 @ 6.2500/BULK # = 127.00

NOTES: PAID BY AMERICAN EXPRESS

**PAID**

Subtotal: 127.00  
Tax: 8.19

GRAND TOTAL: 135.19

Please pay per this invoice.  
No statement will be sent.

Please read the reverse side of this form carefully. The terms and conditions of sale set forth on both sides of this form constitute the entire agreement between Seller and Buyer. All purchases of products by Buyer shall be governed and subject to the terms and conditions of sale set forth on the reverse side hereof, as in effect from time to time, and nothing contained in any product order of Buyer shall in any way modify such terms and conditions of sale or add any additional terms and conditions unless agreed upon in writing by a corporate officer of Granite Seed. Any additional or inconsistent terms and conditions of any product order of Buyer shall be deemed stricken from such order and each product order shall be deemed to incorporate all of these terms and conditions of sale. Acceptance by Buyer of these terms and conditions is acknowledged by either (1) Buyer's signature set forth herein, or (2) receipt by Buyer of delivery of the products described herein and failure by Buyer to return such products within five (5) days following such delivery.





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Lehi, Utah 84043  
(801) 768-4422 / (801) 531-1456  
Fax (801) 768-3967

Invoice Date: 10/07/00

Invoice Number: 186509

(Please show invoice  
number on all payments)

Terms: VISA

Sold To: A104957-4500

KNOTTS & CO

P.O. BOX 1335

JOHNSON, UT 84052

Ship To:

KNOTTS & CO

WILL CALL

Project:	Customer P.O. #:	Ordered By: BROOME	Phone No.: (801) 378-3571	Packing Slip Number: 186509
Shipper: WILL CALL	Prepaid/Collect:	FOB:	Salesman: Ryan Timothy	Date Shipped: 10/07/00

Price by		Quantity Shipped		Description	Variety	Price	Total
PLS (P)	or Bulk (B)	PLS	Bulk				
MIX # 65796 PLS							
B	4.69	5.00	BROMUS MARGINATUS				
B	4.62	4.00	MOUNTAIN BROMEGRASS	BROMAR			
B	3.79	4.00	ELYMUS TRACHYCAULUS SSP.	TRACHYCAULUS			
B			SLENDER WHEATGRASS	REVENUE			
B	0.45	0.50	ELYMUS LANCEOLATUS SSP.	PSAMMOPHILUS			
B			STREAMBANK WHEATGRASS	EDDAR			
B	0.62	1.00	DESCHAMPSIA CAESPITOSA				
B			TUFTED HAIRGRASS	NORTMAN			
B	4.05	4.50	POA SANDBERGII				
B			SANDBERG BLUEGRASS	VNS			
B	0.85	1.00	ELYMUS GLAUCUS				
			BLUE WILDRYE	ELKTON			
			FESTUCA OVINA DURIUSCULA				
			HARD FESCUE	DURAR			
	12.92	20.00	Mix #65796 Total				

20.0000 BULK #1's @ 6.3500/BULK # = 127.00

Notes: PAID BY VISA

**\$ PAID**

Subtotal: 127.00  
Tax: 8.19

GRAND TOTAL: 135.19

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JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

May 2, 2008

Brook Knotts  
Knotts & Co.  
P.O. Box 1335  
Salem, Utah 84653

Subject: Permit to Commence Small Mining Operations, Knotts & Co., Sevier Mining Claim #1-8 Mine, S/041/0038, Sevier County, Utah

Dear Mr. Knotts:

The Division finds your notice of intention (Notice) complete and approves the reclamation surety for the Sevier Mining Claim #1-8 mine. You are now permitted to conduct small mining operations on one acre as outlined in the Notice provided you have written approval from the Forest Service and any other appropriate agency. Attached for your records are copies of the 'approved' Notice, surety and reclamation contract.

Please keep in mind the following regulatory requirements.

- The Division must be notified no later than 30 days after beginning mining operations.
- Mining disturbance is only allowed in the area identified in the Notice and Reclamation Contract.
- Stockpiling topsoil material prior to beginning activities will help ensure successful revegetation. Even the first few inches of undeveloped material are worth saving to aid in later revegetation efforts, and future regulatory surety release.
- If you encounter any archaeological or historical items, you are asked to notify this office and State History of your find.
- Permit fees are due July 30.
- Annual reports are due by December 31st.
- The reclamation surety will be reviewed every 3 years.
- The Division request that the disturbed area boundary (including assess/haul roads) be marked with metal T-posts to identify the area permitted for mining.
- You must also follow the conditions of your Stream Alteration Permit that was approved April 4, 2008.







United States  
Department of  
Agriculture

Forest  
Service

Fishlake National Forest  
Beaver Ranger District  
Fax: (435) 438-1242

575 S. Main, PO Box E  
Beaver, UT 84713  
Phone: (435) 438-2436

File Code: 2810

Date: May 21, 2008

Brook Knotts  
Knotts and Company  
P.O. Box 1335  
Salem, Utah 84653

Dear Mr. Knotts

Thank you for submitting your Notice of Intent for your Small Mining Operations in Sevier Canyon, with the appropriate permits from the State and U.S. Army Corps of Engineers. I note that you have posted a bond with the Utah Division of Oil, Gas and Mining. Your proposal appears to be minor in nature and therefore will not require a formal Plan of Operations. You are therefore conditionally approved to commence your operation.

We will monitor your mining through this season and should there be significant disturbance, NEPA analysis would commence and you will be required to submit a Plan of Operations (POO) as per [36 CFR 228.4(a)(4)].

Please continue to be in contact with me as your operations take place.

Sincerely,

TERRY A. KRASKO  
District Ranger

